

UNTERMYER DEFIES PEABODY DEFENCE

Challenges Mutual Head
to Cross Examination on
Alleged Shrinkage.

HINTS HEAVIER LOSSES

'Willful and Persistent De-
fiance' of Law, Says Lock-
wood Committee Counsel.

OFFERS HAYWARD HIS AID

Will Prepare Detailed Pro-
gramme for Prosecution of
Price Fixing Conspirators.

Before boarding the Olympic yester-
day, Samuel Untermyer, counsel for
the Lockwood legislative committee,
issued an emphatic denial to a state-
ment by Charles A. Peabody, president
of the Mutual Life Insurance
Company, declaring the figures indi-
cating losses of more than \$10,000,000
by the Mutual Life, as brought out in
Thursday's testimony before the Lock-
wood committee, were false and mis-
leading.

Mr. Untermyer not only affirms the
correctness of the figures and chal-
lenges Mr. Peabody to be cross-ex-
amined on them, but hints at other
enormous losses suffered by other com-
panies through the retention of specu-
lative securities, which, he says, ought
to have been disposed of years ago in
accordance with the spirit of the law
governing life insurance companies' investments.

Mr. Peabody's statement issued when
he left the witness stand on Friday was:
"The publication in the morning news-
papers as to the alleged losses of the
Mutual Life are in most essential re-
spects false and misleading. That is
probably due to the fact that the insur-
ances contained in the questions asked
by counsel for the committee were cal-
culated and intended to give a false and
misleading impression."

"The supposed losses of the Mutual
Life are the losses due to the natural
shrinkage in market values resulting
from the late war and other causes. On
the other hand, the profits made by the
Mutual Life on the stocks sold since 1906
are many millions more than the losses
measured by present market
values of the stocks remaining."

After reading Mr. Peabody's statement
Mr. Untermyer said:
"I regret to have to take issue with
Mr. Peabody's misleading statements,
but they must not be permitted to go
unchallenged. I would not be willing
in these times and it would not be in
the public interest to exploit the enormous
temporary shrinkages that have been
suffered by the Mutual Life or by any
other corporation in these exceptional
times. The proof was carefully re-
stricted to losses as of December 31,
1920, and only on stocks still held which
should have been sold fifteen years ago."

"If Mr. Peabody had any such explana-
tion of his testimony to offer, he was
not only urged every opportunity, but
repeatedly asked to make the explana-
tion under oath. Instead of that he de-
clined the repeated invitation to explain
his testimony and seems to prefer mak-
ing a statement on which he cannot be
cross-examined under oath."
"The figures in evidence showing the
losses of the Mutual Life on securities

still held by it, which it should have
sold at least ten years ago when they
were saleable, were not prepared by
counsel for the committee. He had no
part in their preparation and did not
see them until the day they were put
in evidence. They were prepared by Touche
Niven & Co., English chartered account-
ants of international reputation, and Mr.
Peabody was afforded every opportunity
to criticize them if he cared to do so.
The responsibility of doing so under oath,
they having been submitted under oath,
"Losses of more than \$10,000,000 of
Pennsylvania and other stocks that the
Legislature voted to sell fifteen years
ago and that have been persistently re-
tained are not due to natural shrink-
age but to a willful and persistent de-
fiance of the policy of the law as ex-
pressed by the Legislature. Mr. Pea-
body's explanation that \$5,000,000 of
New Haven stock and 60,000 of Penn-
sylvania stock and other like marketable
securities did not have a sufficiently
ready market to be sold to advantage in
fifteen years is one on which the public
will form its own conclusions. Such a
reckless assertion requires no comment
from me."

"The losses shown in the statement
referred to by Mr. Peabody are losses
only on the stocks that were still held
at the beginning of the year after cred-
iting profits on sales made during the
year. They do not include any losses
on sales made in 1915 or in previous
years."

Mr. Untermyer said he was glad that
Attorney-General Daugherty had deter-
mined upon criminal prosecutions as the
first policy of the government in its
campaign against violators of the anti-
trust law. He added that he would do
everything in his power to contribute to
the success of the government's pro-
gramme, and that on the voyage over he
would lay out a detailed programme of
suggestions for submission to the Attor-
ney-General and to Col. Haywood, United
States Attorney, who he understood
would act for the Department of Jus-
tice in the Federal prosecutions. Mr.
Untermyer expressed himself as in thor-
ough sympathy with Col. Haywood's
purpose. The Colonel, he said, had his
entire confidence and would receive his
wholehearted assistance.

Mr. Untermyer added that he had
given a number of suggestions to District
Attorney Guy B. Moore of Erie county,
for the prosecution of indictments ex-
pected as a result of the committee's
disclosures of building conditions in Buf-
falo. It is understood that Mr. Unter-
myer has made suggestions to Attorney-
General Newton toward the appointment
of one or two special deputies to assist
District Attorney Moore in that work.

WOMAN SAYS HUSBAND WAS DRUNK FOUR YEARS

Judge Indicates Mrs. Thorne
Will Obtain Divorce.

Special Despatch to THE NEW YORK HERALD.
CHICAGO, June 25.—Mrs. Thorne was
drunk every day of our married life,
which was four years," Mrs. Virginia
Thorne, daughter of James P.
Milner, president of the Standard Steel
Car Company, said today before Judge
Harry A. Lewis when testifying, sup-
porting her divorce bill against Gordon
Constance Thorne. He is the son of a
former president of Montgomery Ward
& Co.

Judge Lewis indicated that he would
sign a decree granting Mrs. Thorne her
freedom.

Mrs. Thorne testified that she and her
husband had been childhood friends.
"I knew he drank," she said, "but he
promised me that he would stop if I
married him."

"Are you sure you can get along on
\$750 a month?" asked Judge Lewis, as
he sought to fix the alimony.

Mrs. Thorne admitted that \$9,000 a
year would be sufficient.

IMMIGRATION NEAR LIMIT.
WASHINGTON, June 25.—A total of
22,240 immigrants admitted during June,
against a permitted maximum of 27,298,
was shown in figures published today
by the Immigration Bureau.

Those in excess of June quotas from
their respective countries and to be
charged to the next fiscal year's quota
are: Italy, 2,149; Poland, 1,950; Czechoslo-
vakia, 1,011; Yugoslavia, 705; Rumania,
665; Hungary, 527; Portugal, 211,
with smaller numbers from various
other countries.

DAUGHERTY SPREADS NET FOR PROFITEERS

Civil Suit to Restrain Building
Interests Only Part of
Policy.

CRIMINAL ACTIONS ALSO

Every Effort Will Be Made to
Send More Serious Of-
fenders to Jail.

Special Despatch to THE NEW YORK HERALD.
New York Herald Bureau,
Washington, D. C., June 25.

The Federal Government's decision to
proceed against the New York open price
associations in civil proceedings will not
be changed by any differences which
may exist between the Department of
Justice and Samuel Untermyer, counsel
for the Lockwood investigating commit-
tee of New York. It was said authorita-
tively tonight.

Attorney-General Daugherty left
Washington today for a week end trip
without issuing any official reply to the
caustic references made to him by Mr.
Untermyer and the latter's assertion that
the government's course was nothing
less than "a travesty."

Although Mr. Untermyer's charges
against the Attorney-General are not fol-
lowing out his original purposes by mak-
ing criminal prosecutions occasioned
considerable surprise. It was declared
that despite these criticisms the Attor-
ney-General's course would not be al-
tered.

The Untermyer statement came just
after what was described at the Depart-
ment as a cordial understanding be-
tween Untermyer and the Department
upon the government's plan had been
reached.

Conferees in New York earlier in
the week by Assistant Attorney-General
Goff, District Attorney Haywood and
Mr. Untermyer were at first believed
of a most satisfactory character and
to insure utmost cooperation between the
Federal and State governments.

Officials close to the Attorney-General
tonight declared the Attorney-General's
initial move through a civil suit for a
restraining order against certain build-
ing interests in New York would not be
considered as an indication of the entire
policy with respect to profiteering.

It was said that this phase of the
New York prosecutions form only a
minor part of a general plan, now
clearly outlined, for investigations and
prosecutions upon a nationwide scale
of profiteers and others who have en-
gaged in unlawful practices either to
fix prices or to stifle competition.

Until the investigation has gotten
fully under way throughout the country
the Attorney-General will be unable to
outline his entire programme or to tell
whether civil or criminal prosecutions
will be warranted.

Mr. Daugherty is determined to build
up his department to a point that it
will be considered capable of meeting
the opposition expected in the prosecu-
tions now planned. It was declared that
through the many criminal actions au-
thorized, directed more particularly
against grafters on war contracts, every
effort will be made to send the more
serious offenders to jail, and that
through civil actions also against the
same concerns and individuals efforts
would be made to recover for the Gov-
ernment enormous sums illegally col-
lected on fraudulent contracts.

FLYING CLUB SUE ON NOTES.

Suit for \$4,300 was brought yesterday
by the Equitable Trust Company against
the American Flying Club, Inc., of 52
Vanderbilt avenue. The plaintiff, ac-
cording to the papers, sought to collect
two civil or \$5,000 given April 28,
1920, for sixty days, and the other on
May 28, 1920, for thirty days. Pay-
ments on account of principal and in-
terest make the balance the exact
amount sued for.

'SIMS INCIDENT CLOSED, SINN FEIN JUST BEGUN'

Chicagoan Says War on Prop-
aganda Is On.

Special Despatch to THE NEW YORK HERALD.
CHICAGO, June 25.—Admiral Sims and
his famous "Jackass" speech may be a
closed incident. The reprimand has
been duly administered.

But—the fight against the Sinn Fein
propaganda in America has just begun,
says A. N. Marquis, chairman of the
Chicago Committee of 1,000, which has
been lending its moral support to Ad-
miral Sims and all the Admiral stands
for.

"Officials of the Western Union tell
me," Mr. Marquis said today, "that the
wires have been swamped by the mes-
sages of protest against any disciplin-
ing of the Admiral, messages called
forth from our appeal in the newspapers.
There hasn't been such a volume of
business in years."

"Now that Admiral Sims has been re-
called to America, if I am not mis-
taken, the American people will take
steps to have Boland promptly deported
to Ireland, where he belongs."

SIMS INQUIRY IS DROPPED BY SENATE

Facts Are Matter of Official
Record and Case Is Closed,
Says Poindexter.

Special Despatch to THE NEW YORK HERALD.
New York Herald Bureau,
Washington, D. C., June 25.

There will be no further investigation
by the Senate Committee on Naval Af-
fairs of the circumstances leading up to
the reprimand of Rear Admiral William
S. Sims by Secretary of the Navy Denby,
THE NEW YORK HERALD was informed
today by Senator Poindexter (Wash.),
acting chairman of the committee.

"I regard the incident as closed,"
Senator Poindexter said. "The facts are
all known now, and the only purpose
of an investigation would be to obtain facts.
It seems to me, therefore, that since
everything connected with the case is a
matter of official record nothing would
be gained by reopening it."

It was learned that many Senators
feel that the splendor of the career of
Admiral Sims has been in no wise
dimmed by the action taken by the Sec-
retary of the Navy, and while many
expressions of that sort were heard to-
day about the Capitol corridors, the
friends of the famous naval warrior pre-
ferred not to be quoted, believing the
facts speak for themselves.

Special Despatch to THE NEW YORK HERALD.
Newport, June 25.—Rear Admiral
and Mrs. Sims returned to Newport to-
day. The Admiral said this afternoon
he did not care to discuss the Sinn Fein
speech any longer. He did say, how-
ever:

"I am back and glad to be back. I
have been gone six weeks, during which
I have had a wonderful time and re-
markable reception from my thousands
of American friends on war contracts, every-
thing I have seen and also what
happened in Washington. I hope now
to settle down for a quiet time."

It had been planned by several citi-
zens of Newport to give to the Admiral
a surprise reception upon his return, but
the demonstration was given up because
of the possibility of its becoming an
embarrassment in the circumstances.

DYNAMITE PLOT CHARGED.

SAN FRANCISCO, June 25.—Two men
were arrested here early to-day charged
with conspiracy to blow up the new
Federal Reserve Bank building under
construction here.

JUDICIAL VENUE BILL MEETS OPPOSITION

House Members Fear Too Great
a Revision in Legal
Practice.

Special Despatch to THE NEW YORK HERALD.
Washington, D. C., June 25.

Strong opposition has arisen in the
House to the bill passed by the Senate
without debate which would deny to an
individual the right to insist on a Fed-
eral trial in the Federal judicial dis-
trict in which he resides. The proposed
legislation accomplishes this by giving
to a Federal Judge power to bring a de-
fendant to his court from any part of
the country on a simple warrant.

Chairman Porter of the House For-
eign Affairs Committee is leading the
fight against the bill and will confer
with Attorney-General Daugherty and
Representative Volstead (Minn.) re-
garding it next week.

"The bill is one of the most important
amendments to the Federal statutes be-
fore Congress in recent years, and yet
it was passed by the Senate apparently
unnoticed and with virtually no de-

bate," said Mr. Porter. "I shall demand
the most careful consideration in the
House."

"The measure takes away from a de-
fendant the right to be tried in a district
where his reputation is known and al-
lows his trial in a court hundreds of
miles away, where the general public
sentiment might be entirely hostile to
his case. The defendant would be sub-
jected to expense and delay in getting to
the trial and would be entirely among
strangers."

Although it is said the bill would
enable speedy prosecution of war pro-
fiteers, many House members fear it is
making too radical a change in the
judicial system.

The measure does away with the right
of an indicted man to a hearing in the
district where he resided on the question
of "probable cause" and eliminates the
present system of extradition. Under it
a man could be brought across the
country if indicted in New York even
though he could prove the indictment
was in error and that he had never been
in New York.

FIST FIGHT PROVES FATAL.

Timothy Brotman of 7 West 13th
street and Thomas Minor, 53 East 123d
street, elevator operators at 118 West
Twenty-seventh street, engaged in a fist
fight. Brotman fell heavily, striking on
the back of his head. He died yester-
day at Bellevue Hospital. Minor was
arrested in Jefferson Market court on
a charge of homicide and was held
without bail for a hearing next Friday.

'FREED OF MURDER, IS CONVICTED OF PERJURY

Ex-Chief Justice McGannon
of Cleveland Guilty.

CLEVELAND, June 25.—William H. Mc-
Gannon, former Chief Justice of the
Municipal Court, was found guilty of
perjury to-night by the jury which
heard his case in Common Pleas, Judge
Florence E. Allen's court.

McGannon was charged with giving
perjured testimony in his trials for the
murder of Harold C. Kagy, of which he
was acquitted.

Judge Allen called McGannon to the
bench and asked him if he had anything
to say.

"The verdict is the grossest miscar-
riage of justice in the annals of local
courts," the former Judge said. "I told
the whole truth at the trials and nothing
but the truth."
Judge Allen then sentenced McGannon
to an indeterminate sentence of from
one to ten years in the Ohio penitentiary.
"This is one of the most painful duties
I have ever been called upon to per-
form, but nothing can prevent me from
doing my duty," Judge Allen said in
passing sentence.

S.S. Flotilla
RESTAURANT YACHTS
ARE OPEN ON
WEEKDAYS AND SUNDAYS
LUNCHEON • MUSIC
TEA • DANCING
DINNER • MUSIC
SUPPER
DANCING FROM 9 P.M. UNTIL CLOSING
BANQUETING AND PRIVATE ROOMS
FOR SOCIETY FUNCTIONS
ANCHORAGE
100 WEST 55TH ST.
THEODOR SZARVAS
GENERAL MANAGER
TELEPHONE CIRCLE 7115

Store Hours 9 to 5
Closed All Day Saturday During July and August

Arnold, Constable & Co.
5TH AVENUE AT 40TH STREET

Men's Summer Wear REDUCED

| Formerly | Now |
|--------------------------------|--------------|
| 14.50 Pure Silk Shirts | 9.95 Tax .70 |
| 10.50 Pure Silk Shirts | 5.95 Tax .30 |
| 6.50 Scotch Madras Shirts | 4.45 Tax .15 |
| 5.00 Imported Madras Shirts | 3.75 Tax .08 |
| 3.00 Fancy Cotton Shirts | 1.85 |
| 2.50 English Sport Neckwear | 1.50 |
| 1.50 English Foulard Neckwear | .95 |
| 1.00 Assorted Fancy Neckwear | .65 |
| 1.50 Summer Athletic Underwear | .95 |
| .50 Cotton and Lisle Half Hose | .35 |

Women's Bathing Suits

Very Specially Priced

| | |
|----------------------------|-------------|
| Surf Satin Suits | 6.95 Each |
| Wool Jersey Swimming Suits | 7.95 Each |
| Bathing Caps | .50 to 3.95 |
| Bathing Tights | .95 to 5.00 |

New Summer Modes in Women's Sweaters

Tuxedo Sweaters fashioned of soft Mohair yarn
in a novelty weave. Finished with narrow edge of
brushed wool on collar, cuffs and belt. 7.45

"Chiffonette" Alpaca Sweaters—featherweight
weave, extremely popular for tailor wear. 7.95

Clearance of Slip-On Sweaters made of pure wool.
In the favored Navy Blue. 2.95

Frilled Blouses

In a charming style assortment.

A mode that is highly fashionable for wear with
sports and tailored costumes. Priced as low as 1.95,
2.95 and up to 19.95 for exquisitely fine models.

Wool Dress Goods Remnants

All wool dress goods in plain and fancy weaves for
suits, skirts and dresses. Prices greatly reduced to
effect an immediate clearance.

Pure Irish Linen Napkins

6.45 Dozen

Remainder of a special stock, reduced to about
half the former prices. Pure Irish Linen. Satin
Damask Napkins—no cloths to match. Size 22x22
inches.

Remarkable Offering of Frocks and Sports Coats



At 22.50 At 19.50 At 7.95 At 9.95

Voiles, Organdies, Im-
ported Gingham and dotted
Swiss about in the bet-
ter type of dresses. Now
on sale at the above price.

Imported and Domestic
materials vie with each
other in a smart showing
which is very moderately
priced at 19.50. Dotted
Swiss Frocks illustrated.

Jersey Sports Coats for
town and country wear—a
Tuxedo model shown in
Navy, Black, Beige, Green,
Red and Fawn. A very
special value.

A charming and varied
collection of dainty summer
frocks developed in cool ma-
terials—Novelty Voile il-
lustrated is typical of the
assortment.

Final Clearance—Coats and Dresses

10% and 15% Off
The former special prices

Which were marked in some instances about 25% under prevailing prices elsewhere at the
beginning of the season.

Included are five hundred Silk, Georgette and Wool Dresses

10% Off up to 34.50 15% Off up to 185.00

Coats at proportionate reductions.

Porch and House Dresses

in a wide style and price range

1.95 2.95 3.95 4.95

Illustrated—A
splendid percale
Dress fashioned in
a simple tailored
style. Complete
with two pockets,
belt and white Repp
collar. 1.95

Illustrated—One
of several attractive
Gingham models
trimmed with
white collar, cuffs
and tie sash.

Special, 4.95

Other models of
cool summer ma-
terials variously
priced up to 6.95

HAIR NETS
1.00 Dozen

FRENCH VEILINGS
.29 Yard

MOTOR DUST COATS
(OF LINENE)
3.95 and 5.50

WOMEN'S LISLE HOSIERY
WHITE, BLACK, GRAY
Pair .39

BLACK ENAMELED SUIT
CASES
8.95 Each

SILK UMBRELLAS
5.00 and 6.95

16-BUTTON SILK GLOVES
1.58 Pair

Flint's Fine Furniture

Sensible shopping—especially as
applied to furniture buying

demand consideration of value as related to construction, finish and
appearance. Flint Quality Furniture has been built to a standard for
more than 80 years—and now, the values are decidedly unusual, with

REDUCTIONS OF ONE-HALF—AND MORE

DINING ROOM SUITES

10 pcs., consisting of Sideboard, Extension
Table, China Closet, Server, 5 side and 1
arm Chairs. Was NOW

Sheraton Walnut Suite,
8 pieces without China
Closet and Side Table. \$605.00 \$265.00

Tudor Walnut, 10 pieces. 740.00 345.00

Queen Anne Walnut, 10 pcs. 777.00 349.00

Queen Anne Mahogany, 10
pieces. 750.00 375.00

Louis XVI. Mahogany, 19
pieces. 770.00 385.00

Sheraton Walnut, 10 pieces,
(72-in. Sideboard). 863.00 390.00

Louis XVI. Walnut, 10 pcs. 794.00 395.00

Queen Anne Walnut, 10 pcs. 794.00 397.00

Queen Anne Mahogany, 10
pieces. 943.00 398.00

Heppelwhite Mahogany, 10
pieces. 874.00 425.00

Sheraton Walnut, 10 pieces 950.00 460.00

Chippendale Walnut, 10 pcs. 920.00 460.00

Heppelwhite Mahogany or
Walnut, 10 pieces (72-in.
Sideboard). 924.00 462.00

Italian Renaissance, Wal-
nut, 10 pieces. 990.00 495.00

Chippendale Walnut. 1099.00 495.00

Adam Mahogany or Wal-
nut, 10 pieces (72-in. Side-
board). 996.00 498.00

Queen Anne Mahogany or
Walnut, 10 pieces (78-in.
Sideboard). 1490.00 745.00

English Renaissance Wal-
nut, 10 pieces. 1586.00 793.00

Heppelwhite Mahogany or
Walnut, 10 pieces (78-in.
Sideboard). 1676.00 838.00

Italian Walnut, 10 pieces
(78-in. Sideboard). 1880.00 940.00